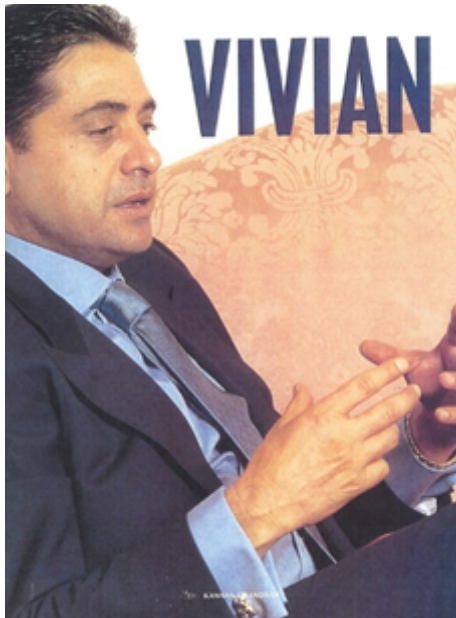


Vivian Imerman Chairman & CEO DEL MONTE ROYAL FOODS

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Constantly on the move, Vivian Imerman's stamina for business is likely to put the collective running capability of the Lazio footballers to shame.

Having hooked up with Italian tomato producer, Cirio, Imerman's Del Monte Royal Foods Ltd inherited the Italian Serie A football team, which fits in quite nicely with his plans, the big football fan that he is. *"Lazio is a subsidiary of the group. We recently spent a fortune buying players, but it does help us with exposure of the Del Monte brand. It's a very interesting business. It's not just about advertisements, but it's an income stream as well,"* Imerman explains. Football is a huge spectator sport with broadcasting rights that are proving to be a mine of business potential,



evident in the big organisations trying to buy up the more successful clubs. With the help of international consultants Bain & Co., Imerman hopes to whip up a winning formula maximising the potential of the fruit, tomato and football mix.

The well-travelled and well heeled Imerman may live in England these days for the safety of his children (due to his close association with the African National Congress - ANC - including President Nelson Mandela), but his South African roots are still evident in his speech pattern. But these days, wherever you are, modern communication allows you to do business without any hiccups. Even as we met, Imerman, who grudgingly sleeps about four to five hours daily, was transacting business on his mobile phone from the comfort of his Raffles Hotel suite. And he seemed to thrive in the hectic environment; revelling in the thrill of the chase and the eventual kill.

This enthusiasm for business was fostered at the early age of 12. *"I enjoyed working for my grandfather's clothing shop, serving customers before going off to school. My grandfather who came from Russia taught me an invaluable lesson: never put off an opportunity today for tomorrow. Never let a sale go. Don't let him out the door,"* Imerman says with a laugh.



Beneath the laughter, however, is a steely resolve to realise his grandfather's words of wisdom. *"I've always been a fighter,"* Imerman states, his brow knitting as he conveys the importance of his point.

Beyond the fighter also lies a mind that ticks continuously in search of opportunity. When he started a chemical company, he realised that the food component had grown increasingly



bigger. The acquisition of the fruit produce and beverages Del Monte group was on condition that he would focus on the food business, so he had to divest the chemical and pharmaceutical arms.

"Del Monte is big in the pineapple business, an exotic fruit that is well accepted as a canned product. It matures in the can, which allows us to have different types of pineapple-based products.

"Del Monte controls 35 per cent of the world's pineapple production, and we want to acquire facilities and property to grow in excess of 50 per cent," Imerman outlines his plans.

And he, like many other entrepreneurs, sees in the current economic crisis the opportunity for expansion. *"The Del Monte name is extremely strong and is able to sell in local markets to earn local revenue. Devaluation has helped the cost base and maintained profitability. We can manufacture in weak currencies and sell in strong currencies. There's a good balance of risk and income streams."*

Meanwhile, Imerman is also on the look-out for new businesses to add on to his growing empire. *"The entry cost is low; the crisis offers a one-time opportunity. I'm now evaluating about four different acquisition possibilities, and I hope to conclude two deals, in Thailand and Indonesia, by mid-'99."*

Towards the end of last year, Del Monte Royal Foods Ltd acquired the Just Juice business, a fruit juice company serving markets in the UK and Republic of Ireland, from RHM Foods Ltd, part of Tomkins PLC. Del Monte is currently negotiating to acquire SAICO, one of the largest pineapple exporters in Thailand.

"The economic crisis and climate resulted in shortage in demand. Thai production was half of what it was two years ago, when they were the biggest producing centre in the world."

Despite this, Del Monte's Asian business is of a reasonable size. *"The business in the Philippines has been highly successful over the last couple of years, with growing profitability."* But this growth only registered once Imerman stepped up the element of control. *"We grew from US\$5 million to US\$40 million in a couple of years."*

Imerman sees "*fantastic opportunities*" in the current Asian crisis. But he has no intention of destroying companies and smashing rice bowls. "*We are industrialists, not venture capitalists or fund managers. We bring management, expertise, corporate governance, systems, innovation, financial control... We are not buying into a company as a non-proactive investor. We manage the business. We train people. We bring the business up to international standards as a Multinational Company. We employ business methodology and we bring our own culture to the company.*"

"I am an entrepreneur and my culture is one of being able to be flexible and work quickly at the same time, without being reckless. I need to react and be proactive to the changing market. I need a cohesive working relationship with people who understand our culture and are prepared to become more entrepreneurial."



"As a vertically integrated manufacturer - from plantation to retail - we deal with people at both ends of the spectrum. We have a strong corporate culture, and I believe very strongly in people. I place a lot of trust in people and grow them with the business, working with their strengths and weaknesses."

"In Asia, we invest in schools, hospitals, charities and training programmes. We are a company with a serious conscience."

Heading a business that spans the globe can be a tough one to manage. And Imerman is well aware of the pitfalls that an international concern faces: from cultural differences to



varying business practices that come from mergers and acquisitions. The need for a master plan is apparent, but that often entails change.

"Change is always difficult. You never get change without pain. And you can never succeed or remedy anything without pain," Imerman speaks from experience.

"You make changes to carry you forward for a reasonable period of time. Nothing stays static," he adds.

To illustrate his philosophy, the Philippines concern was a supplier business, and was never viewed as a profit centre. Imerman thought otherwise, but was in a minority position, owning 35 per cent of the business. In order to realise the business opportunity, he negotiated his way to a superior position through careful buy-outs, and subsequently restructured the business into a profit-oriented venture.

One of the keys towards this success was his ability to incentivise people to make the business profitable. *"I am a people person. I have three children, and a serious sense of responsibility towards people. I give people more than a fair chance. And, at the end of the day, I do what I have to do for the good of the business.*

"Sometimes, you have to be cruel to be kind to sustain the business," he adds.

The price of building an empire has exacted its toll on Imerman's personal life. Travelling about seven months in a year and pushing for success resulted in a split from his wife.

"I'm in an unfortunate position as I cannot spend as much time with my children as I'd like to. But I still have a strong influence in their upbringing; there's a common bond of respect I will be able to impact on them. Just as my parents had a strong impact on me. They gave me enormous confidence. My father left me with the impression that I could conquer the world."

Imerman translated this self-belief into entrepreneurship, which he says is *"part in our genes and blood"*. He attributes his success to a combination of drive, inherent skills and necessity.

"Businesses are very similar. You have to apply basic business practises throughout any business. No matter how complicated or varied the business, everything comes back to cash flow, profitability and proper control of fundamentals.

"No man is an island. Success in business is hinged on people; the way you respect them, treat them, manage them, motivate them. I haven't seen a successful business with bad management. And good management will see any cycle out; no matter how horrific."



SOUTH AFRICA'S FUTURE

Vivian Imerman is very supportive of the ANC, a fact which resulted in death threats towards him and his children's security. By shifting the home base to England, Imerman is still able to help the ANC *build a new South Africa*.

"South Africa has been affected by the worldwide crisis, but the country has very clever and capable men with high levels of integrity." Africa depends on South Africa, which is the superpower on the continent. Its international potential I has yet to be reached, problems, it will take a long time.

"A country cannot survive on sympathy in the long term. And the wrongs of the past are going to be rectified by rights in the future, not wrongs in the future."





As South Africa pushes ahead with its own plans for development, Imerman also realises that it's a global village he's dealing with. *"The world revolves around the head of a pin. It is a vibrant place."*

End

